

DEPT. OF TRANSPORTATION
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Docket No. OST-96-1654-4

NOTICE: Any person may support or oppose this application by filing an answer and serving a copy of that answer on counsel for Aero Quimmco, S.A. de C.V. and upon each person served with this application. The due date for answers is October 17, 1997.

8 pgs.

BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

Application of)	
)	
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)	
AERO QUIMMCO, S.A. DE C.V.)	Docket No. OST-96-1654
)	
)	
for an exemption pursuant to)	
49 U.S.C. 40109 (U.S./Mexico)	
Charter Air Transportation))	

APPLICATION OF
AERO QUIMMCO, S.A. DE C.V.
FOR RENEWAL OF EXEMPTION

Pursuant to 49 U.S.C. 40109 and Subpart D of the Department's Rules of Practice in Proceedings, Aero Quimmco, S.A. de C.V. hereby applies for renewal of its exemption from 49 U.S.C. 40301 which authorizes Aero Quimmco to engage in charter foreign air transportation of persons and their accompanying baggage with small aircraft between the United States and Mexico, and, subject to prior Department approval, between other countries and the United States. Aero Quimmco also requests stopover privileges and renewal of its relief from the requirement to obtain advance approval for each Mexico-U.S. flight. The Department

granted the above authority to Aero Quimmco by Notice of Action Taken dated October 2, 1996, confirmed by Order 96-10-12. Aero Quimmco requests that this authority, which is scheduled to expire on October 2, 1997, be renewed for a period of at least one year.

Aero Quimmco invokes the automatic extension provisions of the Administrative Procedure Act, 5 U.S.C. 558(c), as implemented by 14 C.F.R. Part 377, to maintain its exemption authority in effect pending a final Department determination on this renewal application.

In support of this application, Aero Quimmco states as follows:

1. Aero Quimmco continues to be fit, willing and able to provide the small aircraft passenger charter services for which it requests renewed authority. The relevant circumstances under which Aero Quimmco received its initial grant of exemption authority are unchanged. However, as disclosed in Exhibit A, minor changes within the company occurred during the past year.

2. Aero Quimmco's Third and Fourth Freedom charter authority is authorized by Annex II to the U.S.-Mexico Air Transport Agreement, and is therefore presumptively in the

public interest. Aero Quimmco's Fifth Freedom charter authority is based on principles of comity and reciprocity, as is its relief from the advance approval requirement for transborder charter flights and any grant of stopover privileges. Aero Quimmco submits that continuation of these extra-bilateral authorizations is warranted given the harmonious state of aviation relations between the United States and Mexico. In addition, the services provided by Aero Quimmco satisfy a continuing need and otherwise serve the public interest by fostering commerce between Mexico and the United States consistent with the objectives of the North American Free Trade Agreement (NAFTA). Consequently, renewal of all elements of Aero Quimmco's authority would be consistent with the public interest.

3. Aero Quimmco's renewal application is limited in scope and is non-controversial. The services proposed by Aero Quimmco are substantially identical to those it performed during the past year, i.e. highly personalized transport services to executives and their invitees using small business-type aircraft. Aero Quimmco's Mexican authority to engage in transborder passenger charter services remains in full force and effect, as does its U.S. authority pursuant to its FAA Part 129 Operations Specifications.

WHEREFORE, Aero Quimmco respectfully requests renewal of its authority to engage in charter foreign air transportation of persons and their accompanying baggage with small aircraft as set forth herein, and such other relief as may be in the public interest.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Lee A. Bauer', with a stylized flourish at the end.

Lee A. Bauer
ROLLER & BAUER, PLLC

Counsel for
Aero Quimmco, S.A. de C.V.

October 2, 1997

CHANGES IN AERO QUIMMCO'S OPERATIONS

1. Ownership of Aero Quimmco, S.A. de C.V. Although the company issued approximately 1,750,000 additional capital shares, the ownership percentages of Aero Quimmco are unchanged, *i.e.* Quimmco, S.A. de C.V. continues to hold 99.99% of the issued capital stock.

2. Ownership of Quimmco, S.A. de C.V. Although the company issued approximately 200,000,000 additional capital shares, the ownership percentages of Quimmco are unchanged, *i.e.* Rodolfo F. Barrera V. continues to hold 99.99% of the issued capital stock.

SERVICE LIST

Marshall S. Sinick
Squire, Sanders & Dempsey
1201 Pennsylvania Ave., N.W.
Washington, D.C. 20004
For: ALASKA AIRLINES

Joanne Young
Baker & Hostetler
1050 Connecticut Ave., N.W.
Washington, D.C. 20036
For: AMERICA WEST AIRLINES

Carl B. Nelson, Jr.
Associate General Counsel
AMERICAN AIRLINES
1101 17th Street, N.W.
Washington, D.C. 20036

William Doherty
AMERICAN TRANS AIR
Box 51609
Indianapolis Int'l Airport
Indianapolis, IN 46251-0609
For: AMERICAN TRANS AIR

Hershal Kamen
CONTINENTAL AIRLINES
Suite 1923
2929 Allen Parkway
Houston, TX 77019

D. Scott Yohe
VP Government Affairs
DELTA AIR LINES, INC.
1629 K Street, N.W.
Suite 501
Washington, D.C. 20006

James Tello
Filler, Weller & Tello, P.C.
117 N. Henry St.
Alexandria, VA 22314
For: MIAMI AIR INTERNATIONAL

Mark McDonald
Chrm. & CEO
NATIONS AIR EXPRESS
5275 Triangle Parkway
Suite 100
Norcross, GA 30092

David Kirstein
Baker & Hostetler
1050 Connecticut Ave., N.W.
Washington, D.C. 20036
For: NORTH AMERICAN AIRLINES

Cecilia Bethke
NORTHWEST AIRLINES
901 15th Street, N.W.
Suite 500
Washington, D.C. 20005

Pollie Goff
PRESTIGE AIRWAYS
9815 Godwin Drive
Manassas, VA 22111

Steven Gelband
Hewes, Morella, Gelband & Lamberton
1000 Potomac St., N.W.
Suite 300
Washington, D.C. 20007
For: TOWER AIR

Dan Devlin
TRANS WORLD AIRLINES
Suite 520
808 17th St., N.W.
Washington, D.C. 20006

Jeffrey A. Manley
Ginsburg, Feldman & Bress
1250 Connecticut Ave., N.W.
Suite 700
Washington, D.C. 20036
For: UNITED AIRLINES

Dick Mathias
Zuckert, Scoutt & Rasenberger
888 17th Street, N.W.
Washington, D.C. 20006
For: USAIR

Malcolm Bengé
Zuckert, Scoutt & Rasenberger
888 17th Street, N.W.
Washington, D.C. 20006
For: WORLD AIRWAYS

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing application of Aero Quimmco, S.A. de C.V., was this 2nd day of October 1997, served upon all parties named on the Service List via first-class mail, postage prepaid.



LEE A. BAUER

October 2, 1997